

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rule making related to brownfield and grayfield redevelopment

The Economic Development Authority (IEDA) hereby amends Chapter 65, “Brownfield and Grayfield Redevelopment,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 15.106A and section 15.293B as amended by 2021 Iowa Acts, Senate File 619.

State or Federal Law Implemented

This rule making implements, in whole or in part, 2021 Iowa Acts, Senate File 619.

Purpose and Summary

2021 Iowa Acts, Senate File 619, amends Iowa Code section 15.293B relating to the Redevelopment Tax Credit Program for Brownfields and Grayfields. The amended statute increases the maximum program allocation to \$15 million. 2021 Iowa Acts, Senate File 619, also authorizes the IEDA to award any tax credits in the next annual application period if the tax credits (1) have been revoked, including any credits revoked in the five years prior to enactment of the legislation, (2) were not awarded because the registered projects were not timely completed, or (3) were not awarded because the registered projects did not meet the requirements of the program or the agreement (Iowa Code section 15.293B(5A)“a” as enacted by 2021 Iowa Acts, Senate File 619). Senate File 619 states that tax credits awarded pursuant to Iowa Code section 15.293B(5A)“a” shall not be counted against the maximum allocation under Iowa Code section 15.119.

This rule making amends Chapter 65 to reflect the changes made to the statute by 2021 Iowa Acts, Senate File 619. In addition, subrule 65.8(5) is amended to conform to a statutory amendment made in 2019.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 11, 2021, as **ARC 5850C**. No public comments were received. One change from the Notice has been made in Item 4, paragraph 65.11(8)“b,” to align the listed date with the corresponding text in 2021 Iowa Acts, Senate File 619, as it will appear in the 2022 Iowa Code.

Adoption of Rule Making

This rule making was adopted by the IEDA on October 22, 2021.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa beyond that of the legislation implemented.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the IEDA for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on December 22, 2021.

The following rule-making actions are adopted:

ITEM 1. Amend rule **261—65.2(15)**, definition of “Board,” as follows:

“Board” means the members of the economic development authority board appointed by the governor and in whom the powers of the authority are vested pursuant to 2011 Iowa Code Supplement section 15.102 15.105.

ITEM 2. Amend subrule 65.8(5) as follows:

65.8(5) Project completion. A registered project shall be completed within 30 months of the date the project was registered unless the authority provides additional time to complete the project. ~~A project will not be provided more than 12 months of additional time.~~ If the registered project is not completed within the time required, the project is not eligible to claim a tax credit pursuant to this chapter.

ITEM 3. Amend paragraph **65.11(4)“e”** as follows:

e. Maximum credit total. ~~For the fiscal year beginning July 1, 2009, the maximum amount of tax credits issued by the authority shall not exceed \$1 million. For the fiscal year beginning July 1, 2011, the maximum amount of tax credits issued by the authority shall be an amount determined by the board but not in excess of \$5 million. For the fiscal year beginning July 1, 2013 2021, and for each subsequent fiscal year, the maximum amount of tax credits issued allocated to the program by the authority shall be an amount determined by the board but not in excess of the amount established pursuant to Iowa Code section 15.119 as amended by 2021 Iowa Acts, Senate File 619. Tax credits awarded pursuant to paragraph 65.11(8) “b” shall not be counted against the allocation determined by the board pursuant to this paragraph.~~

ITEM 4. Amend subrule 65.11(8) as follows:

65.11(8) Tax credit carryover.

a. If the maximum amount of tax credits available has not been issued at the end of the fiscal year, the remaining tax credit amount may be carried over to a subsequent fiscal year or the authority may prorate the remaining credit amount among other eligible applicants.

b. Tax credits revoked under subrule 65.8(4) including tax credits revoked up to five years prior to July 1, 2021, and tax credits not awarded under subrules 65.8(5) and 65.8(6), may be awarded in the next annual application period established in Iowa Code section 15.293B(1) “c.”

ITEM 5. Amend **261—Chapter 65**, implementation sentence, as follows:

These rules are intended to implement ~~2014~~ Iowa Code Supplement sections 15.291 to 15.295 and 2021 Iowa Acts, Senate File 619.

[Filed 10/22/21, effective 12/22/21]

[Published 11/17/21]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 11/17/21.